

Interim report January 1 – September 30, 2017

Peter Wågström
President and CEO

Mattias Lundgren
CFO



NCC Q3 2017

- Lower net sales in NCC Building
- Impairment losses in NCC Infrastructure
- Good earnings in NCC Industry
- High order backlog

Just Health Center, Helsinki

Q3 2017

Orders received

**SEK 12.8 BN
(12.6)**

Net sales

**SEK 13.1 BN
(13.6)**

Order backlog

**SEK 52.2 BN
(47.2)**

**Profit after
financial items**

**SEK 365 M
(471)**

Hotel AtSix, Stockholm

January - September 2017

Orders received

SEK 40.7 BN
(40.2)

Net sales

SEK 38.3 BN
(36.4)

Order backlog

SEK 52.2 BN
(47.2)

Profit after financial items

SEK 1,169 M
(711)

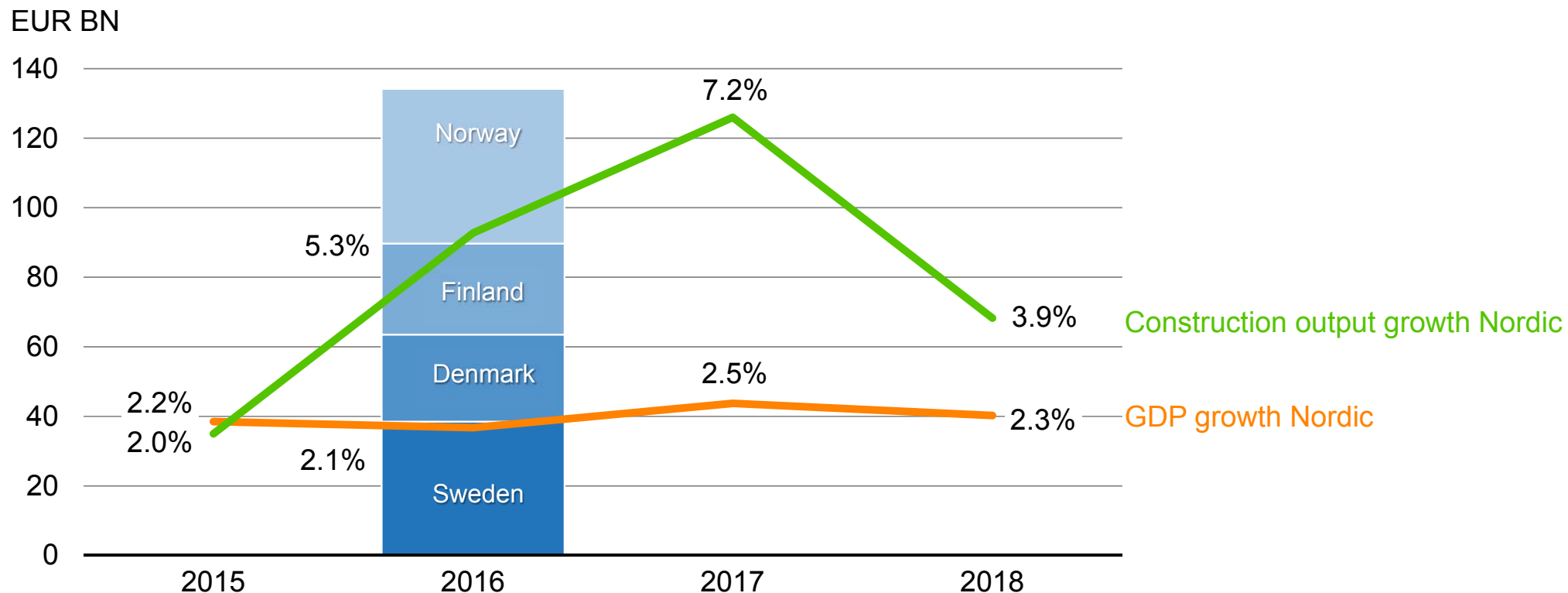
Nordic construction market outlook



KMH, Stockholm

Nordic construction market outlook

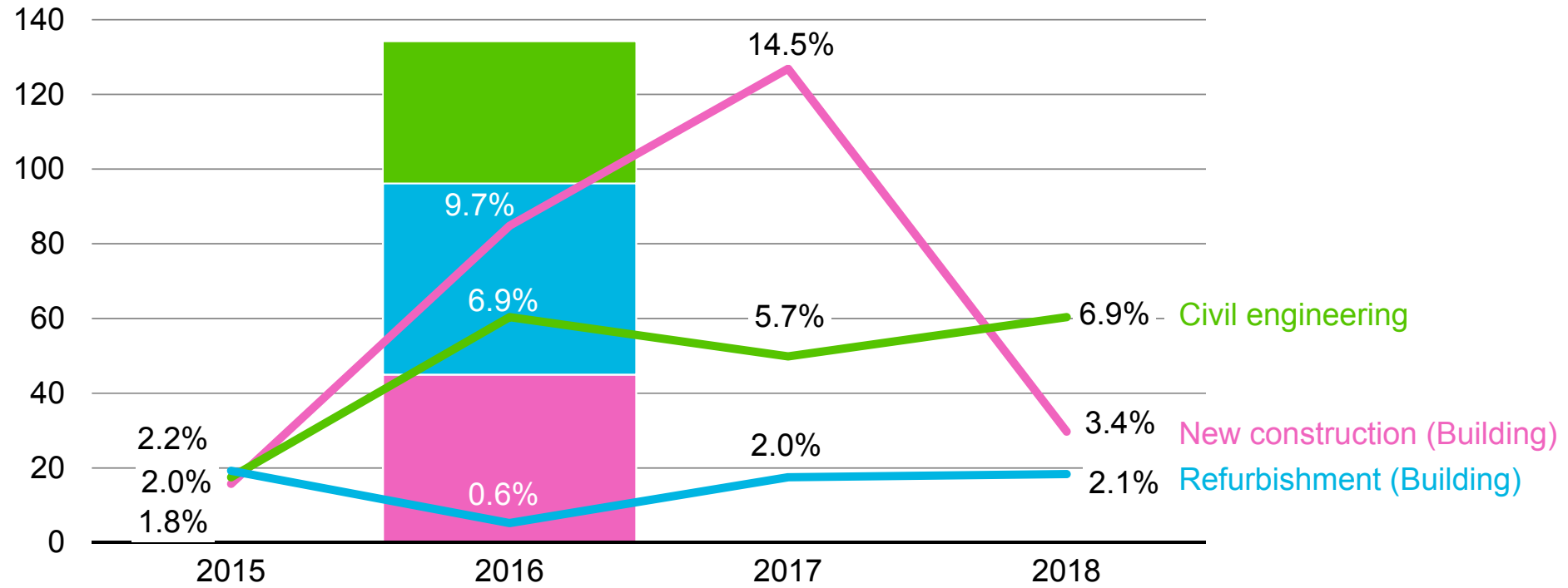
Higher growth in construction volume than GDP 2017



Source: Euroconstruct and NCC

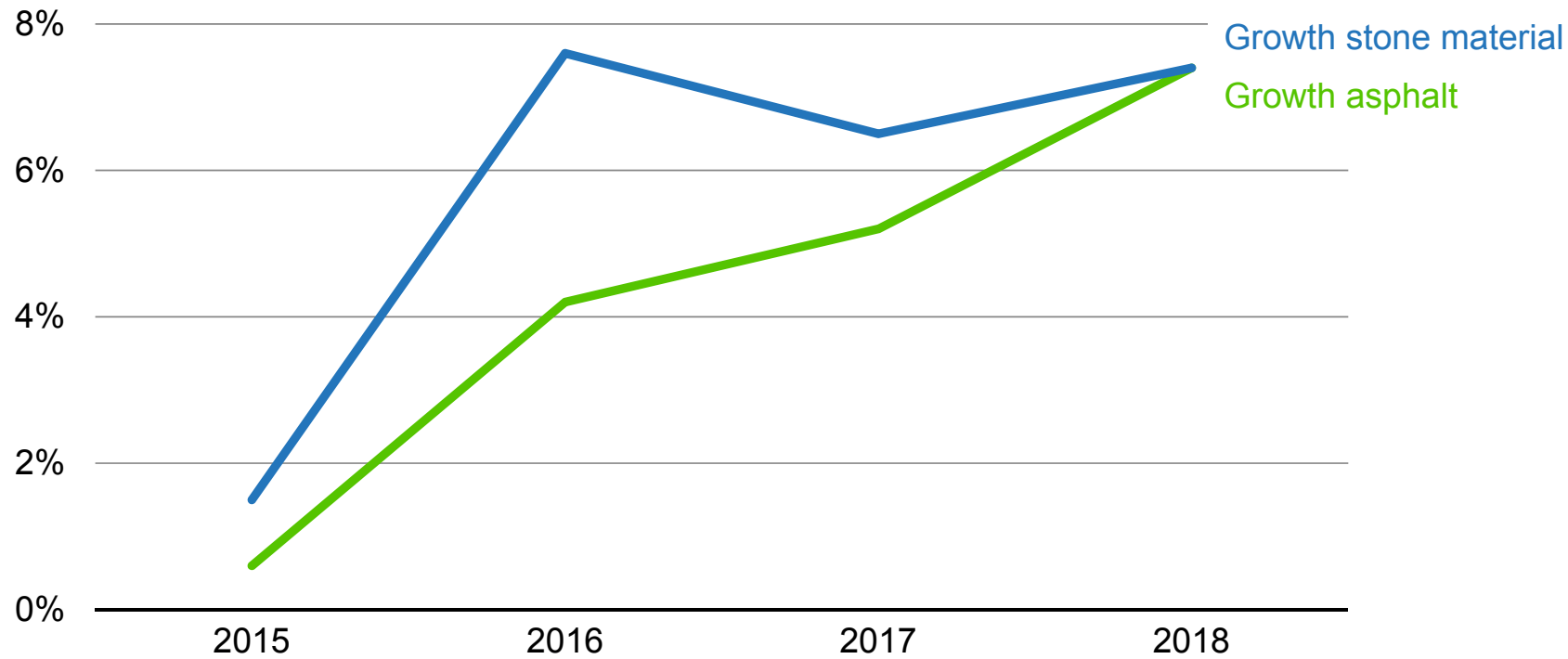
Construction volume by segment

EUR BN



Source: Euroconstruct and NCC

Market outlook – asphalt and stone material



Source: Euroconstruct and NCC

NCC Building

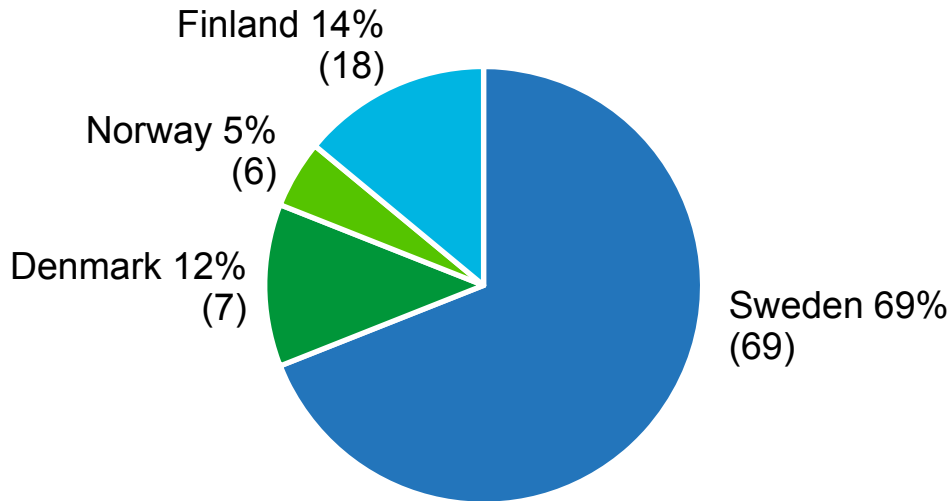


Novozymes, Denmark

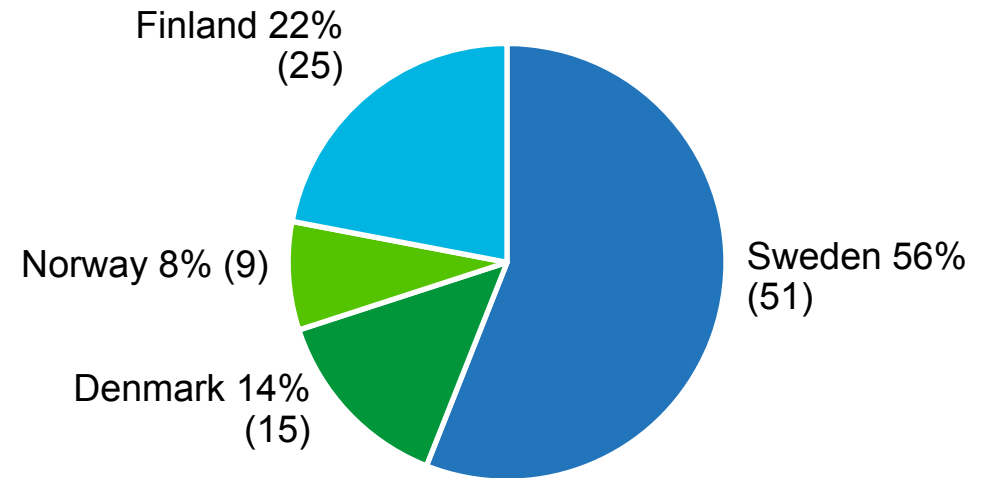
Geographical distribution Jan. - Sep. 2017

NCC Building

Orders received



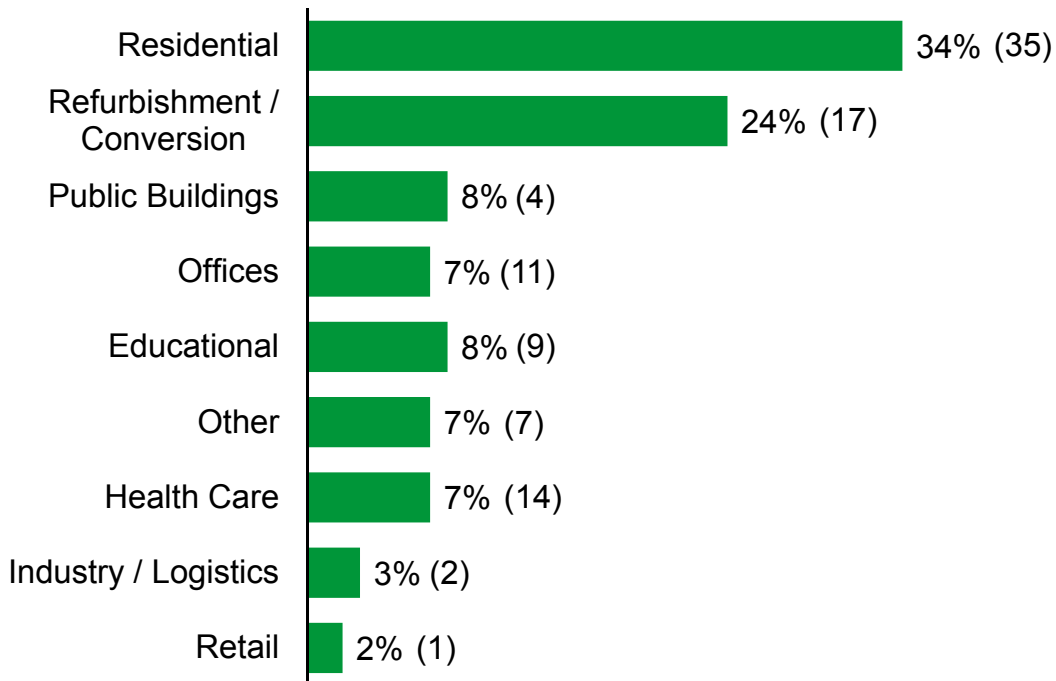
Net sales



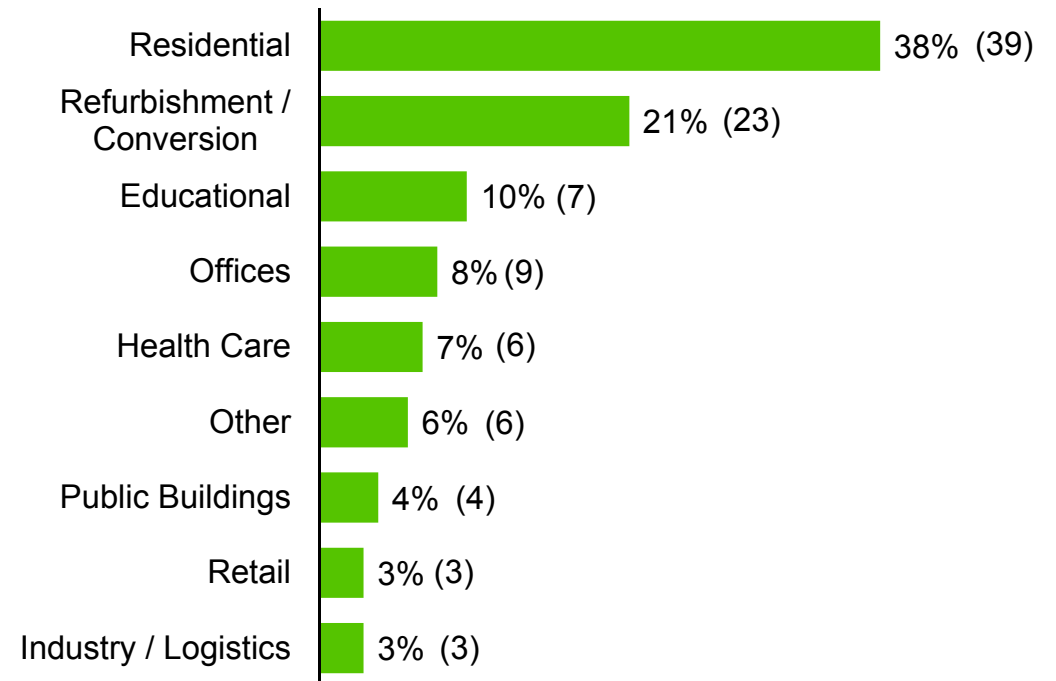
Product mix Jan. - Sep. 2017

NCC Building

Orders received

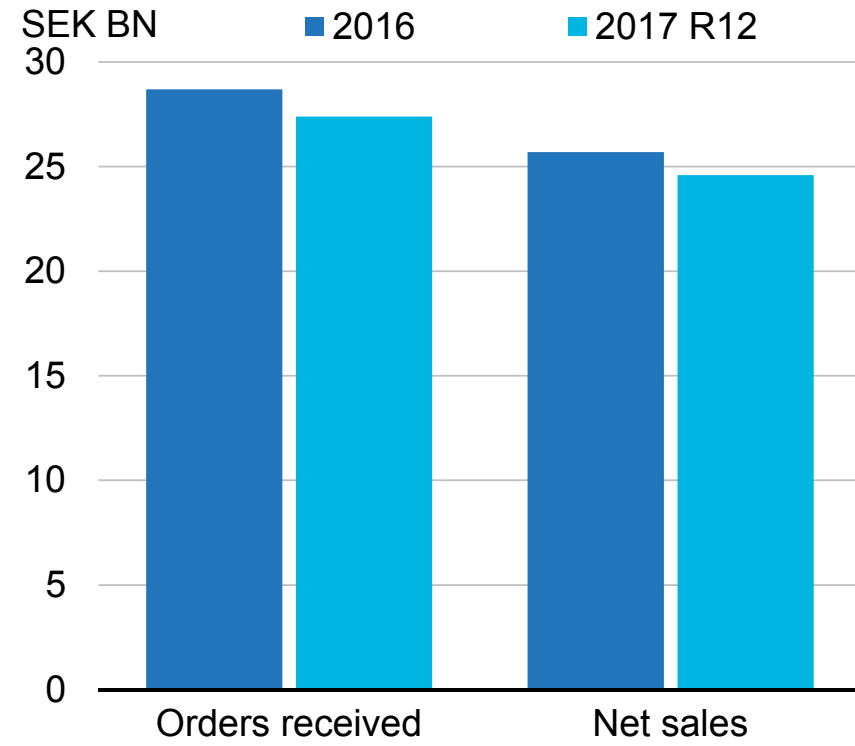
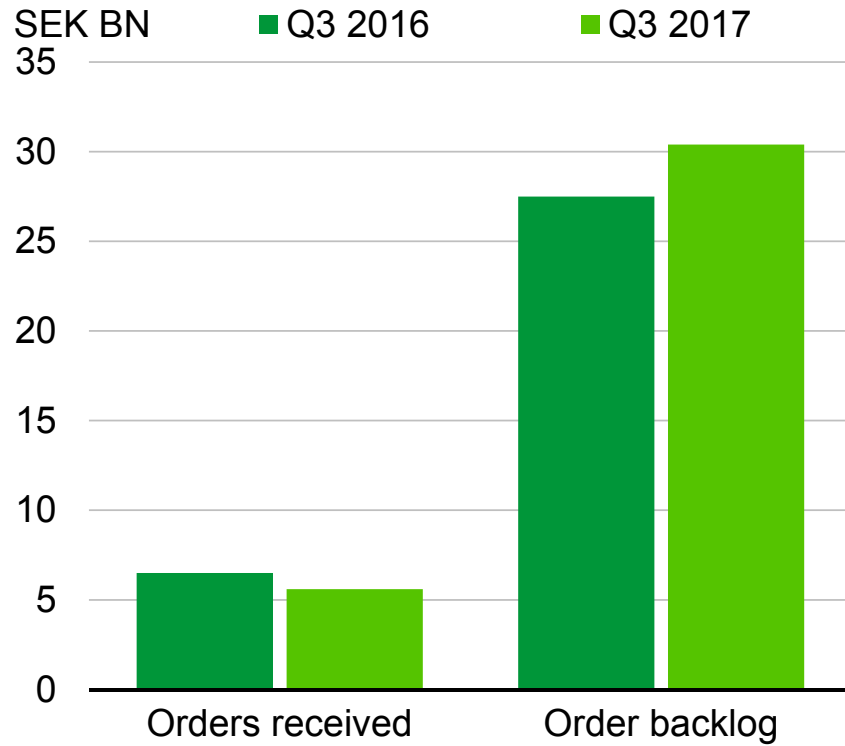


Net sales



Higher order backlog

NCC Building



Project example

Falkoner Center in Copenhagen

- Rebuilding and extension of the Falkoner Center,
- Customer: ATP Ejendomme
- Order value: SEK 640 m

Project example

Kapellgårdet Arena property block in Uppsala



- 152 apartments
- Customer: Bonava
- Order value: SEK 250 m

Project example

Police station in Stockholm's Rinkeby district



- Redevelopment of a residential building into a police station
- Customer: Familjebostäder
- Order value: SEK 520 m

NCC Infrastructure

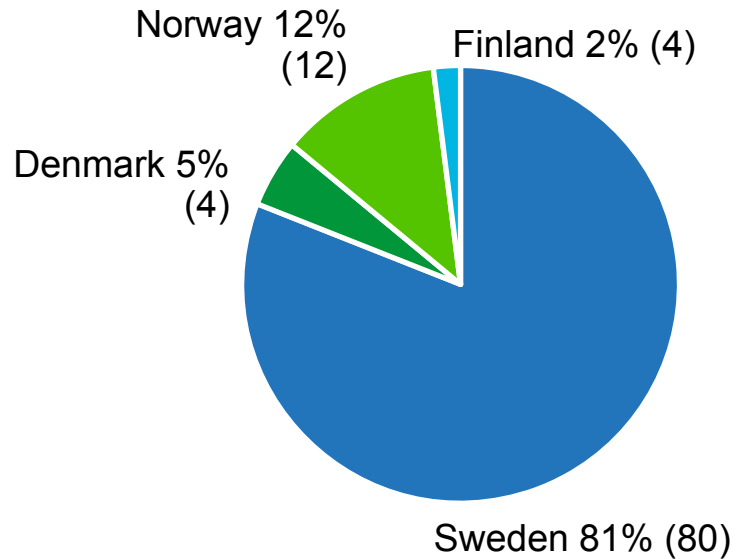


Harbour, Norrtälje

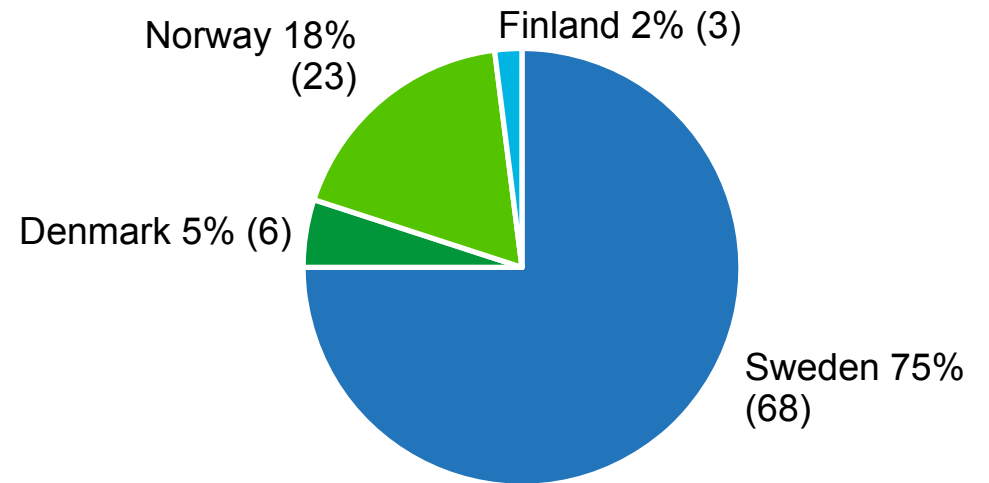
Geographical distribution Jan. - Sep. 2017

NCC Infrastructure

Orders received



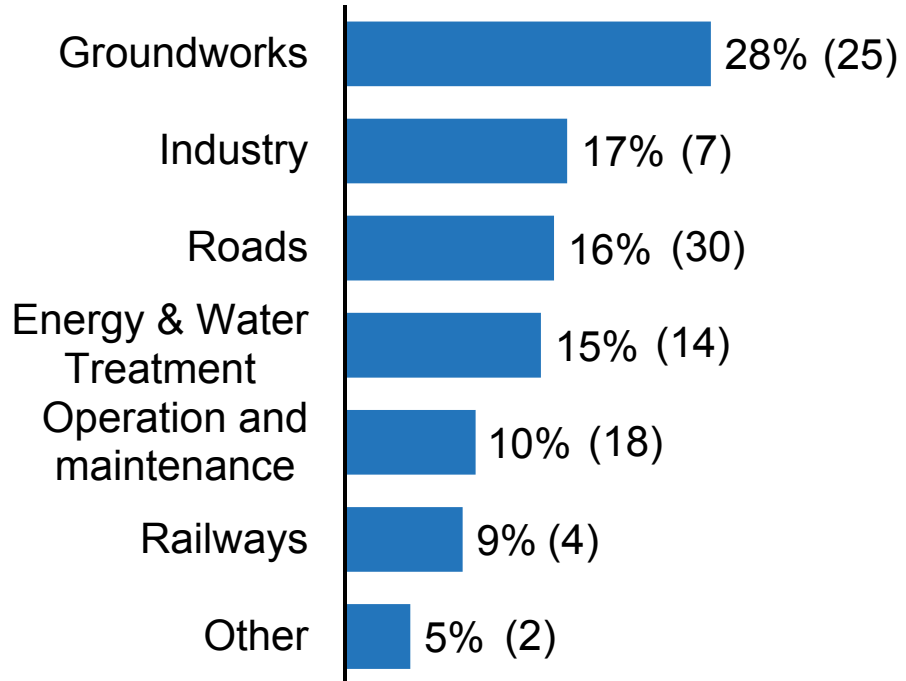
Net sales



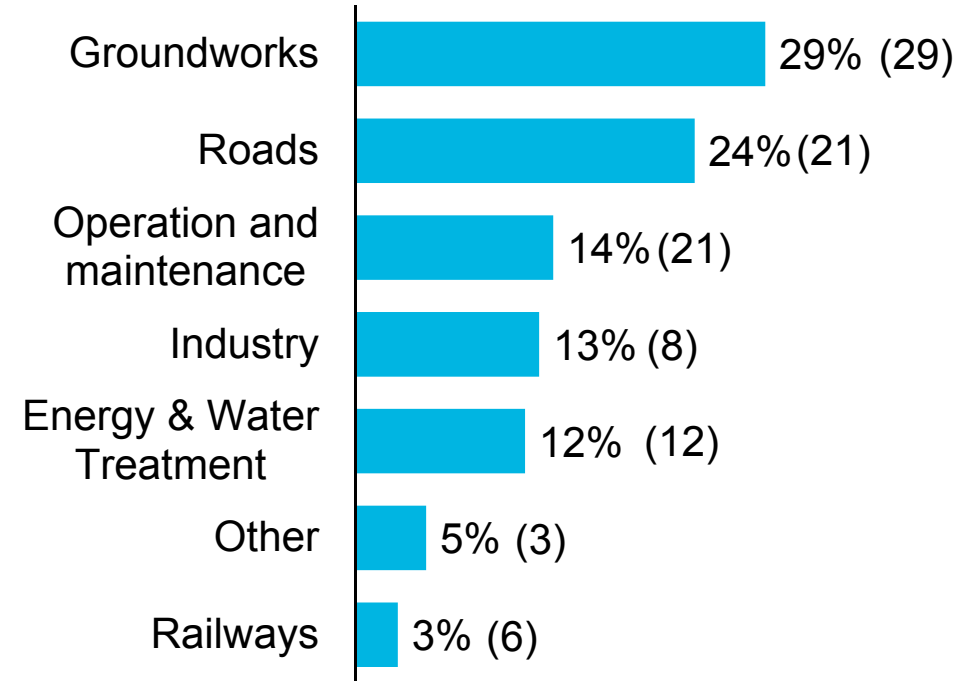
Product mix Jan. - Sep. 2017

NCC Infrastructure

Orders received

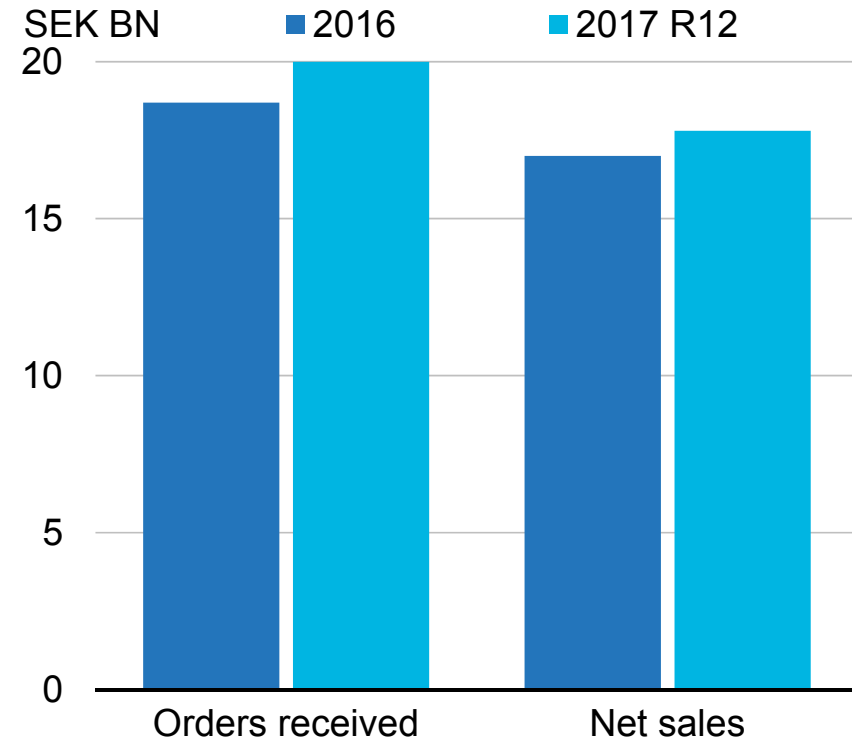
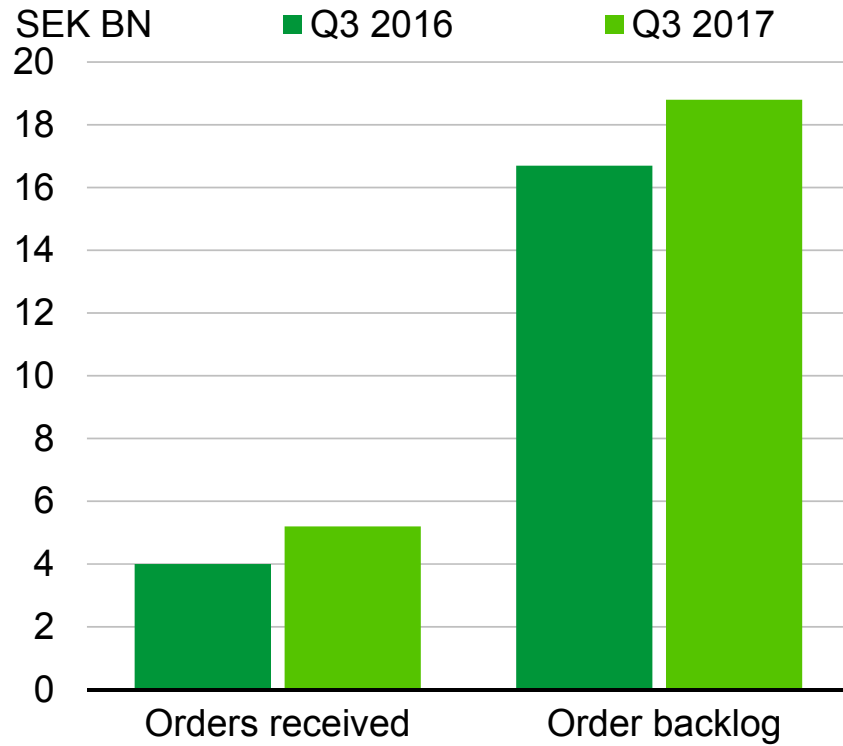


Net sales



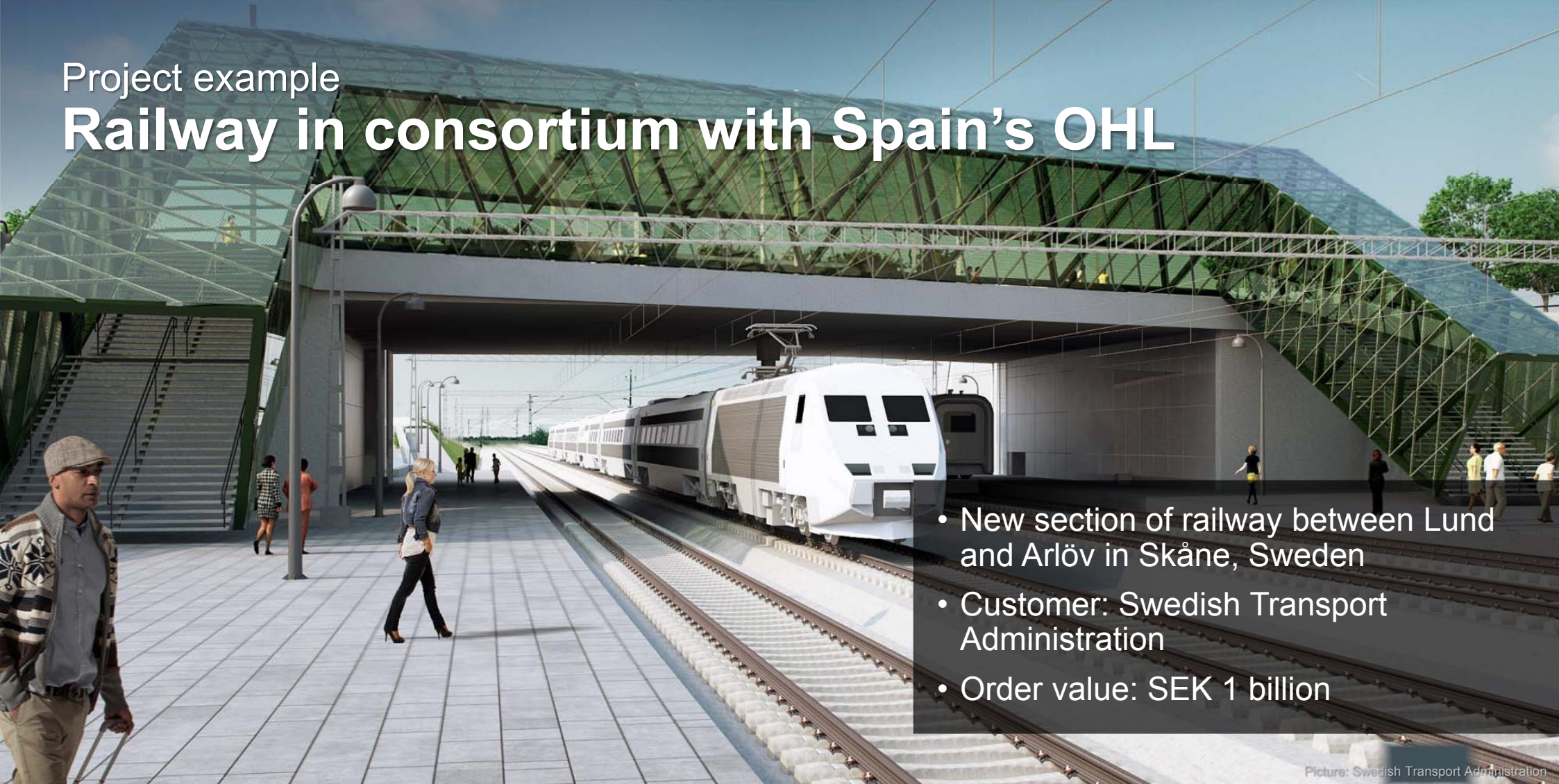
Higher orders received

NCC Infrastructure



Project example

Railway in consortium with Spain's OHL

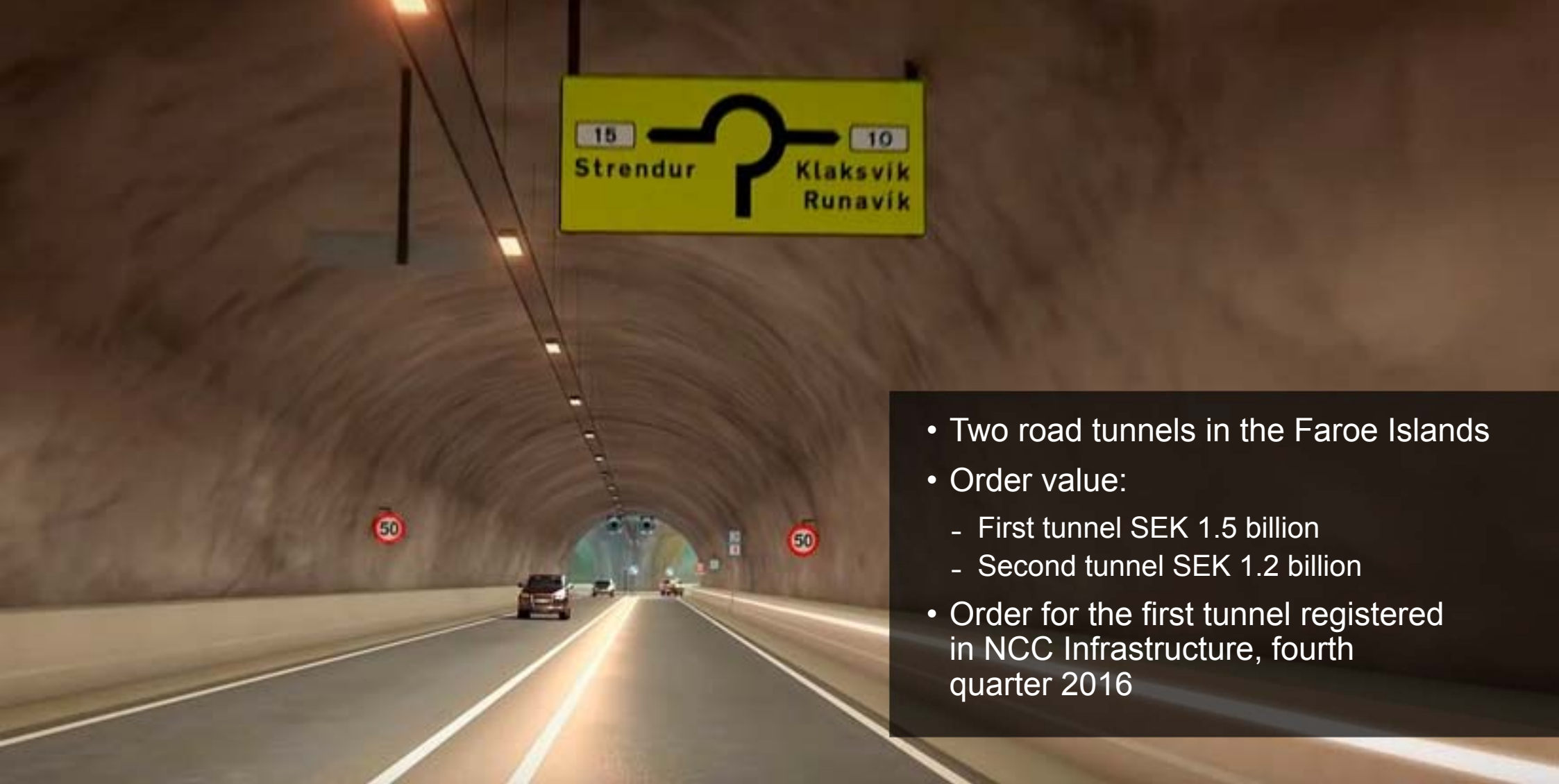


- New section of railway between Lund and Arlöv in Skåne, Sweden
- Customer: Swedish Transport Administration
- Order value: SEK 1 billion

Picture: Swedish Transport Administration

Eysturoy tunnel and Sandoy tunnel, Faroe Islands



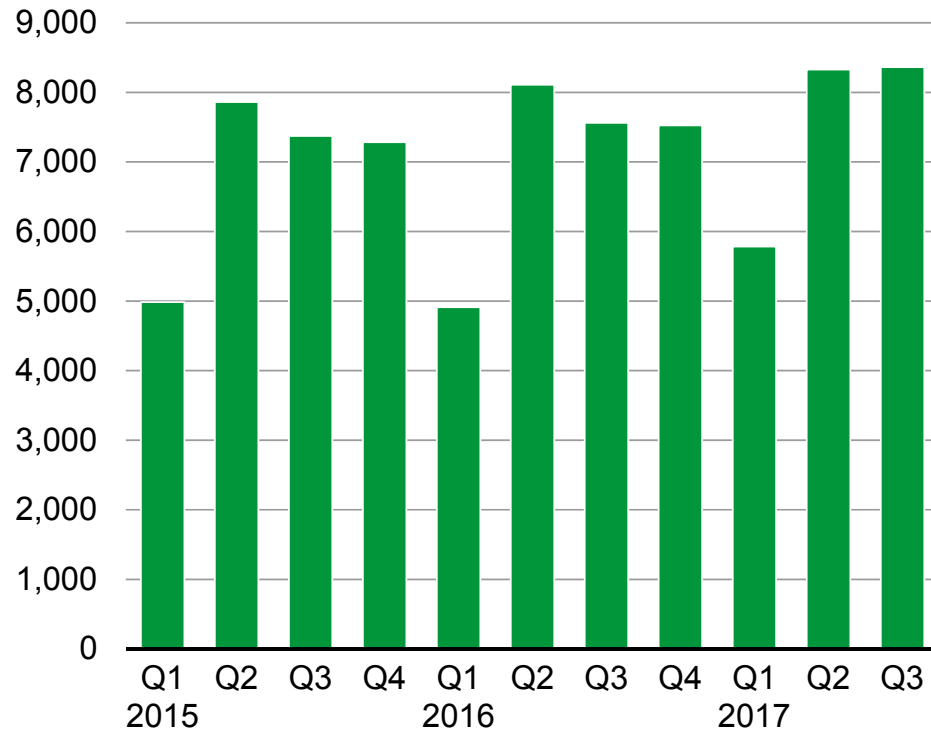


- Two road tunnels in the Faroe Islands
- Order value:
 - First tunnel SEK 1.5 billion
 - Second tunnel SEK 1.2 billion
- Order for the first tunnel registered in NCC Infrastructure, fourth quarter 2016

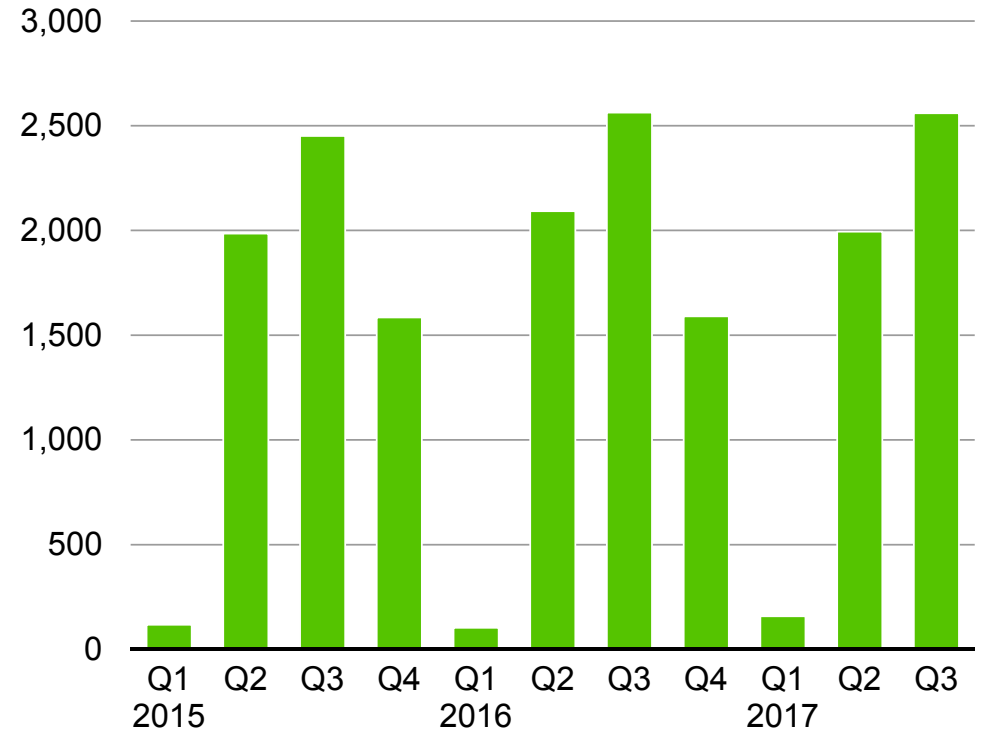
NCC Industry

Increased stone volumes in Q3

Stone material sold, thousands of tons



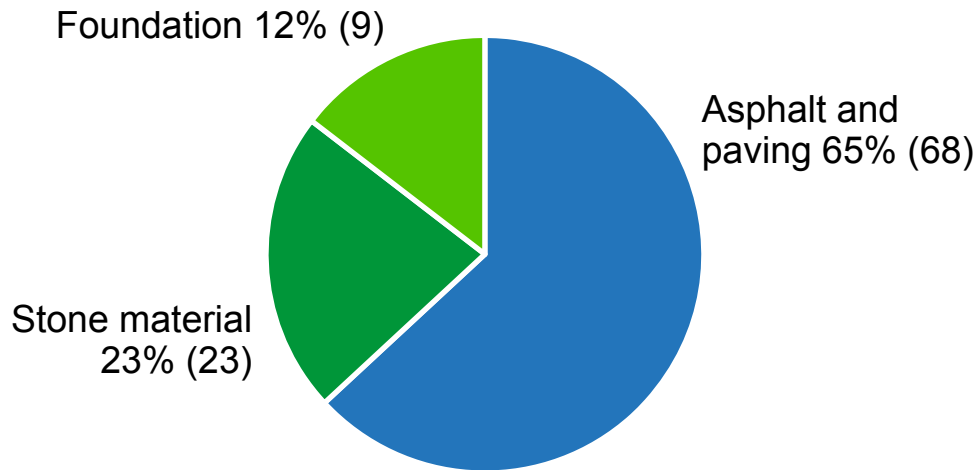
Asphalt sold, thousands of tons



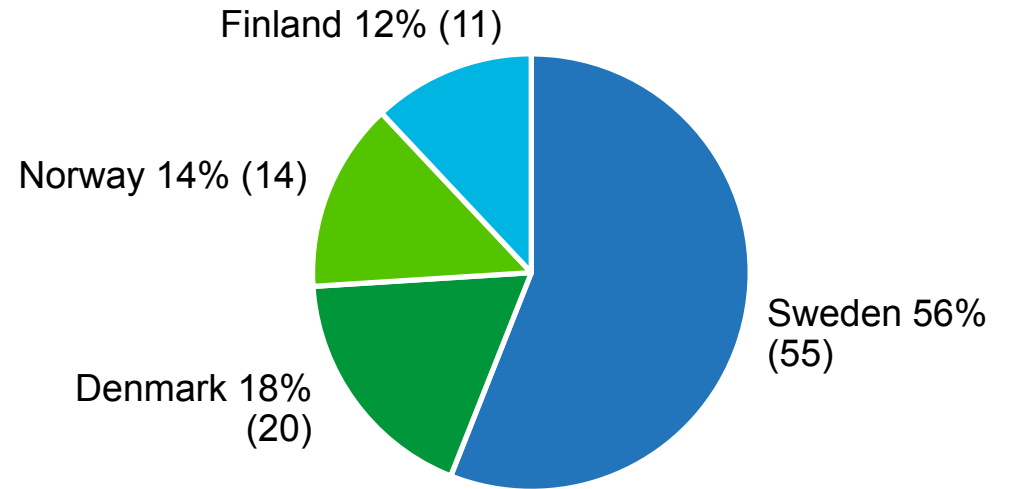
Net sales Jan. - Sep. 2017

NCC Industry

Product mix



Geographical distribution



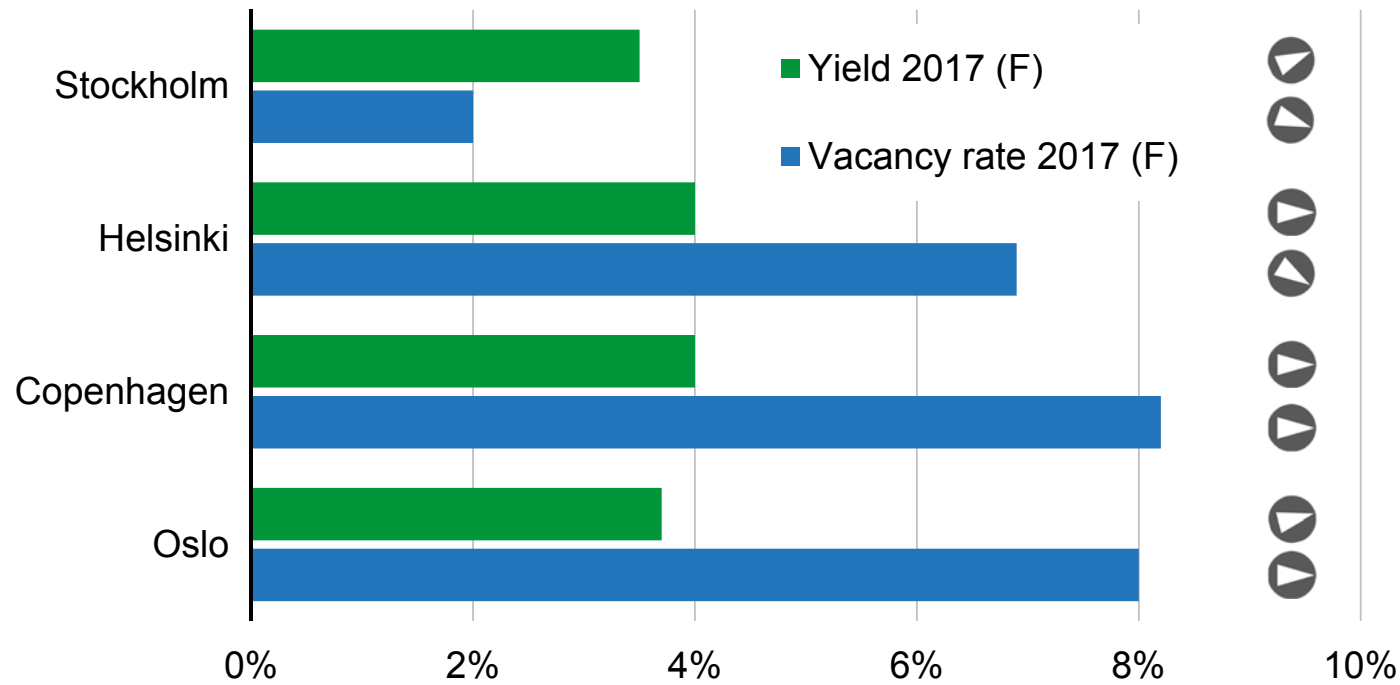
NCC Property Development



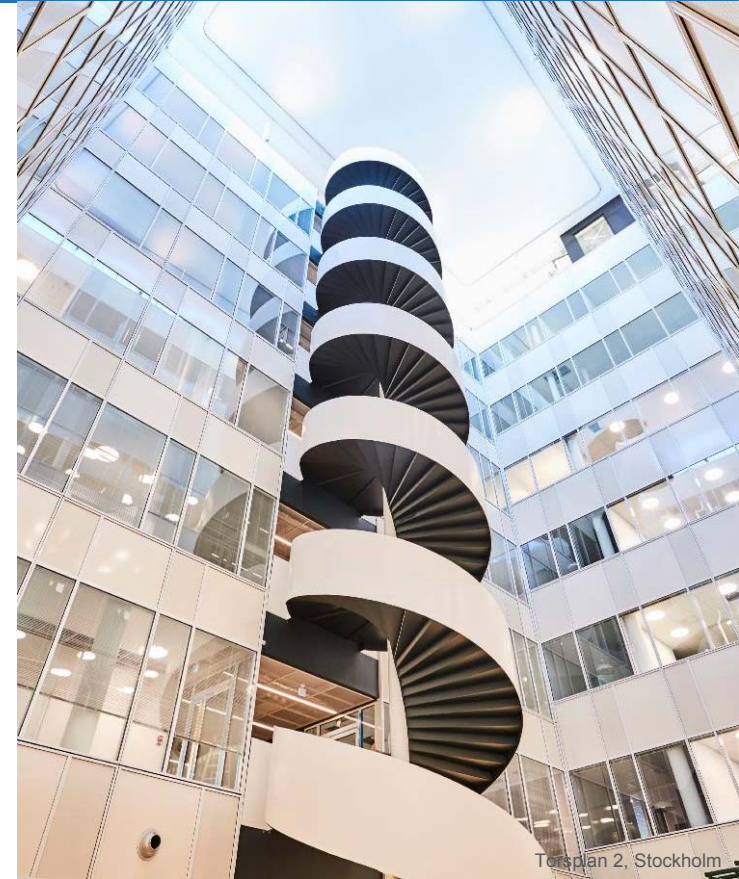
Torsplan, Stockholm

Property market outlook – offices

CBD

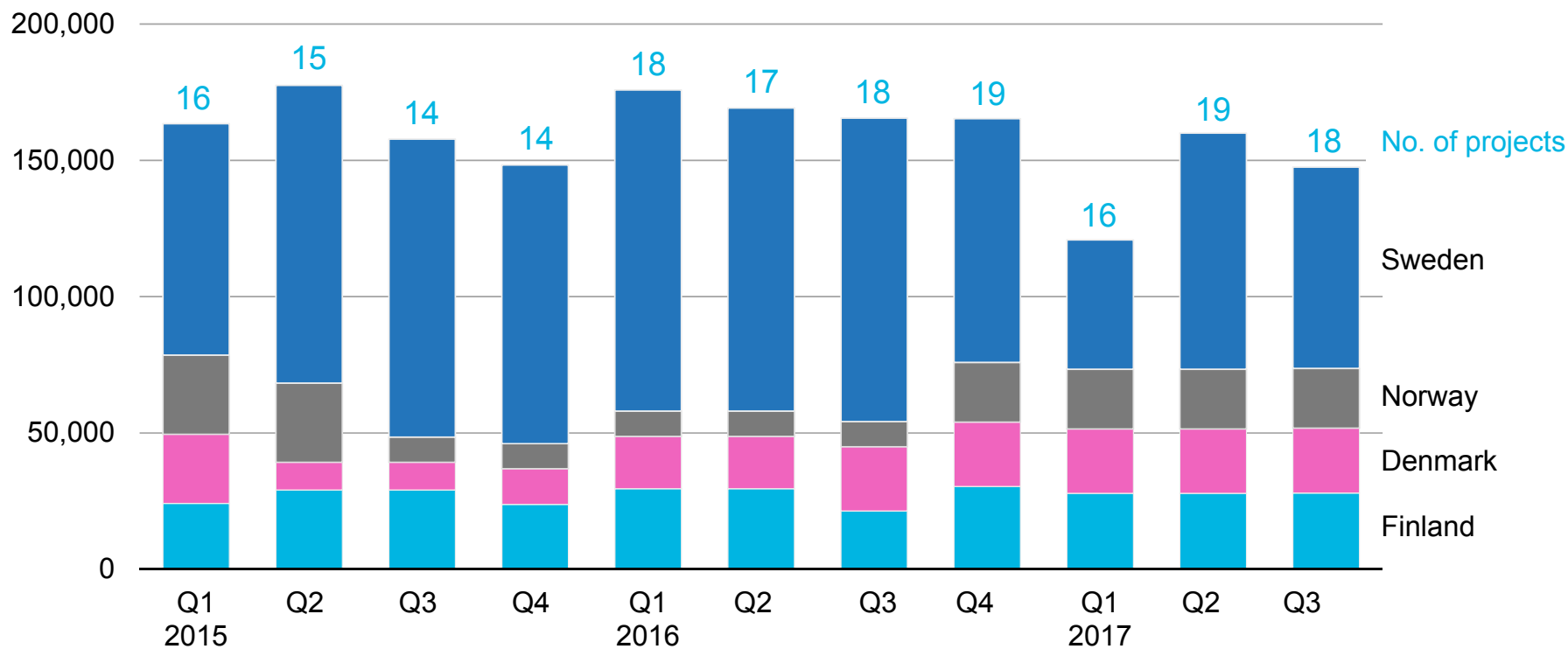


Source: Newsec, NCC



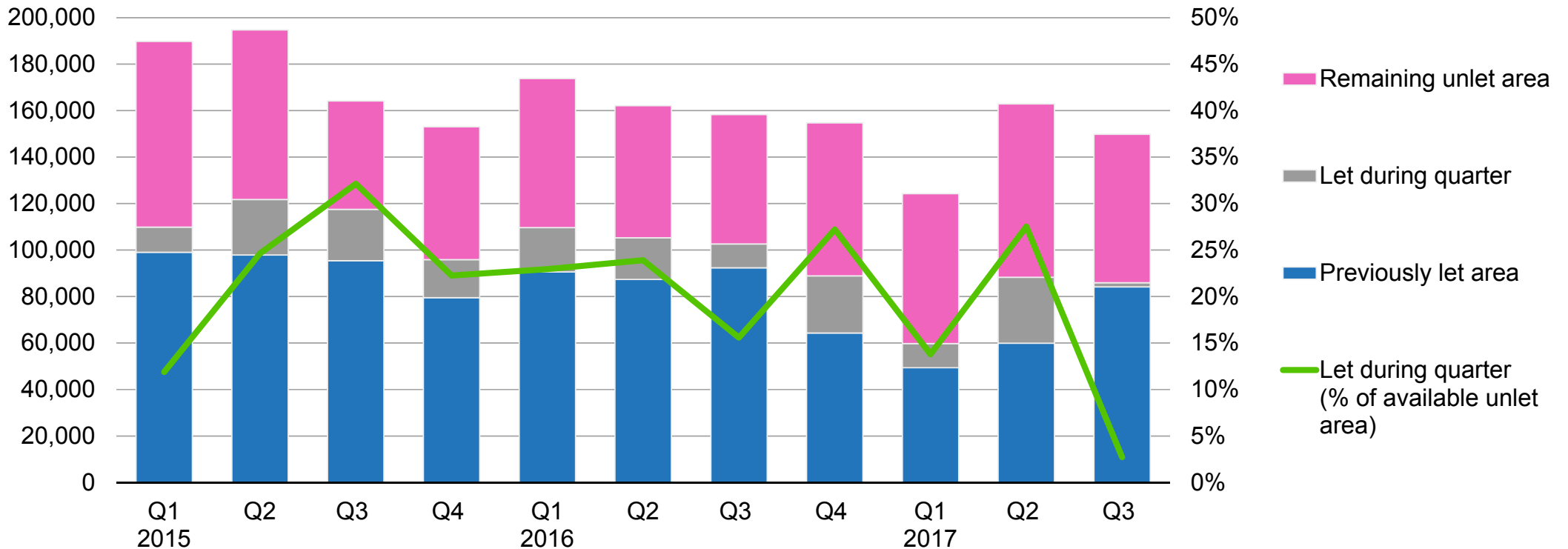
Property portfolio

Leasable space, sqm, in ongoing or completed projects not recognized in profit

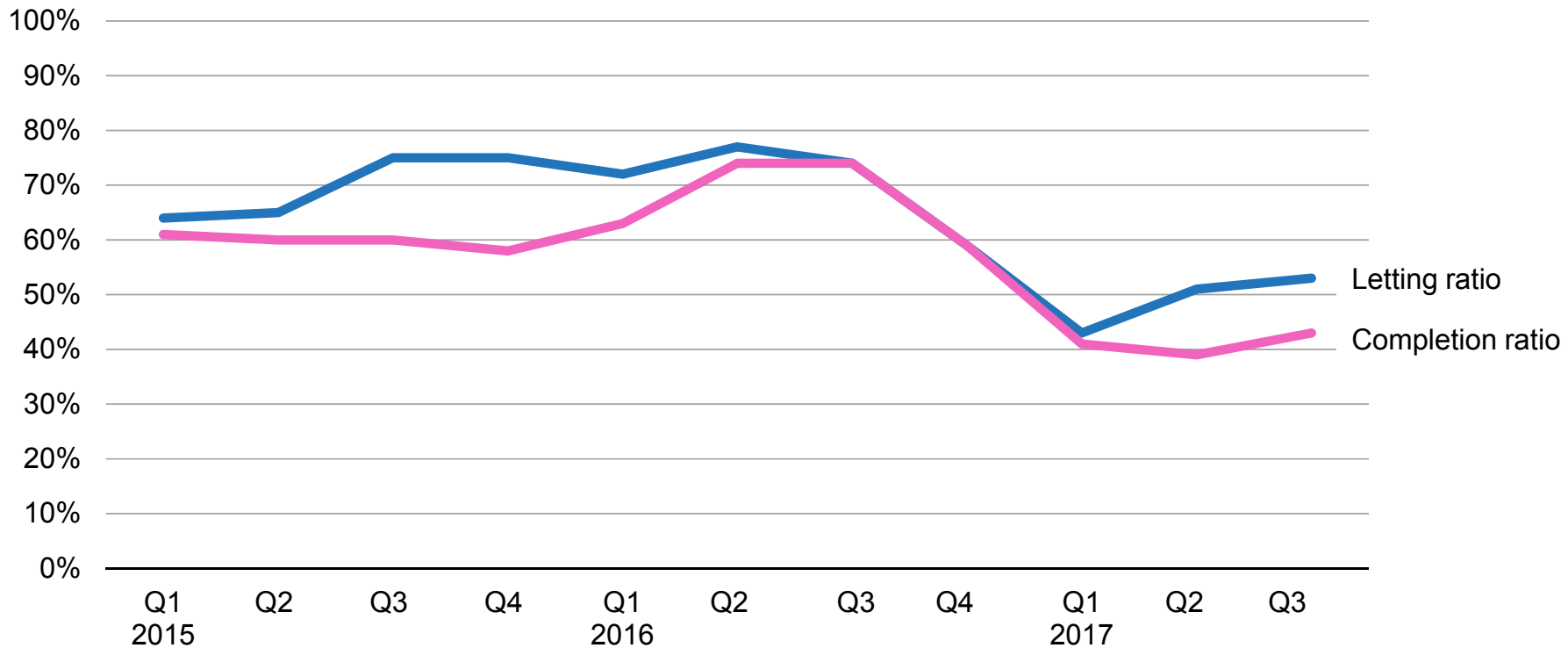


1,800 sqm leased in the quarter

Leased floor space, sqm*



Property portfolio





Mattias Lundgren
CFO

Dome of Visions, Stockholm

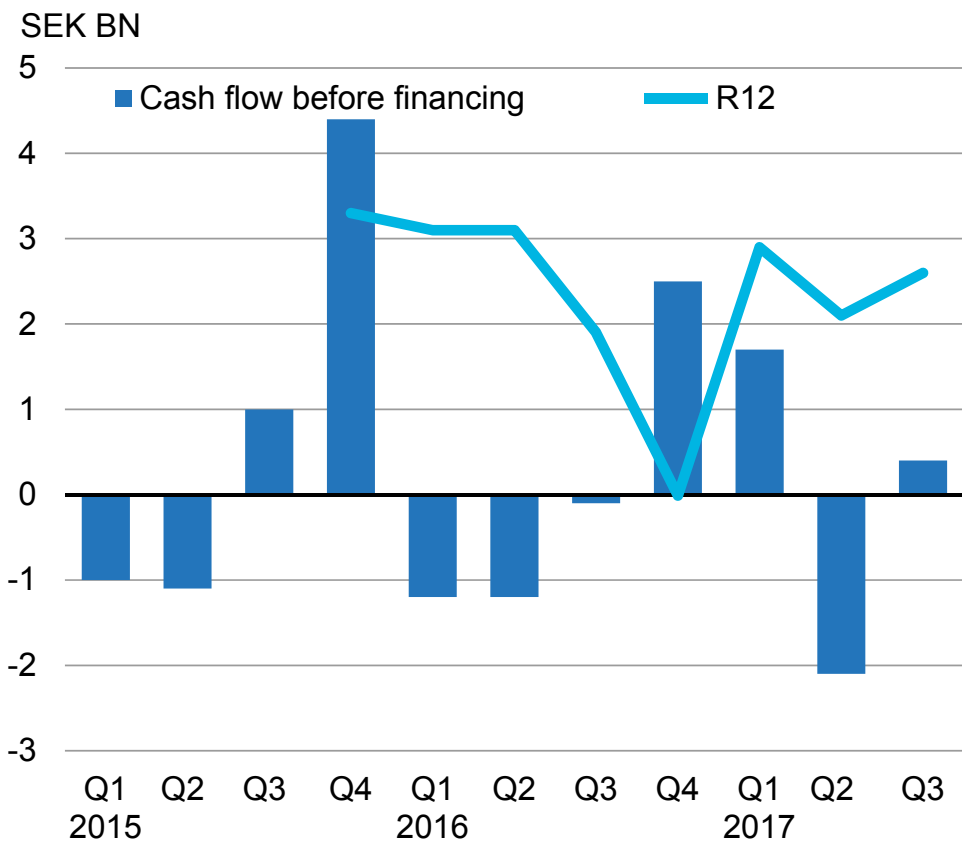
Income statement

SEK M	Jul.-Sep. 2017	Jul.-Sep. 2016	Oct.16- Sep. 17	Jan.-Dec. 2016
Net sales	13,102	13,572	54,809	52,934
Gross profit	935	1,026	4,734	4,450
Selling and administrative expenses	-550	-542	-2,840	-2,912
Cost ratio	4.2%	4.0%	5.2%	5.5%
Other	5	19	7	-85
Operating profit	390	503	1,901	1,453
Financial items	-25	-32	-101	-112
Profit after financial items	365	471	1,799	1,341
Tax	-62	-84	-293	-225
Profit for the period	303	387	1,507	1,116



Myllytie 4b, Helsinki

Cash flow



SEK M	Jul.-Sep. 2017	Jul.-Sep. 2016	Jan.-Dec. 2016
From operating activities	503	397	1,506
From property projects	-268	345	506
From housing projects	0	0	-606
Other working capital	441	-788	-237
Investing activities	-233	-59	-1,181
Cash flow before financing	443	-106	-11

Operating profit/loss per business area

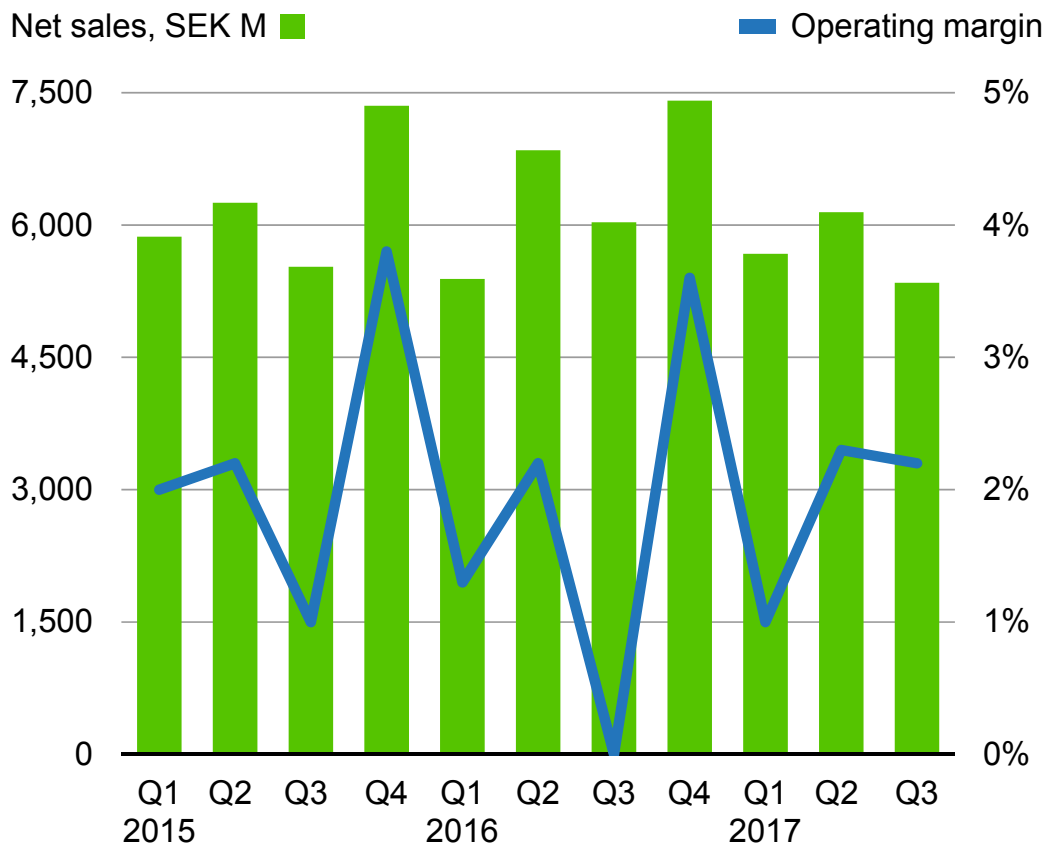
SEK M	Jul.-Sep. 2017	Jul.-Sep. 2016	Jan.-Dec. 2016
NCC Building	116	1	
NCC Infrastructure	-65	3	
NCC Industry	409	442	
NCC Property Development	-9	32	
Other and eliminations	-62		
Operating profit excl. Bonava (Housing)	390	503	

SEK M	Jul.-Sep. 2017	Jul.-Sep. 2016
NCC HQ and International proj.	12	54
Internal gains	-10	-1
Other Group adjustment	-64	-28
Other and eliminations	-62	25



Garpark "Skröven", Stockholm

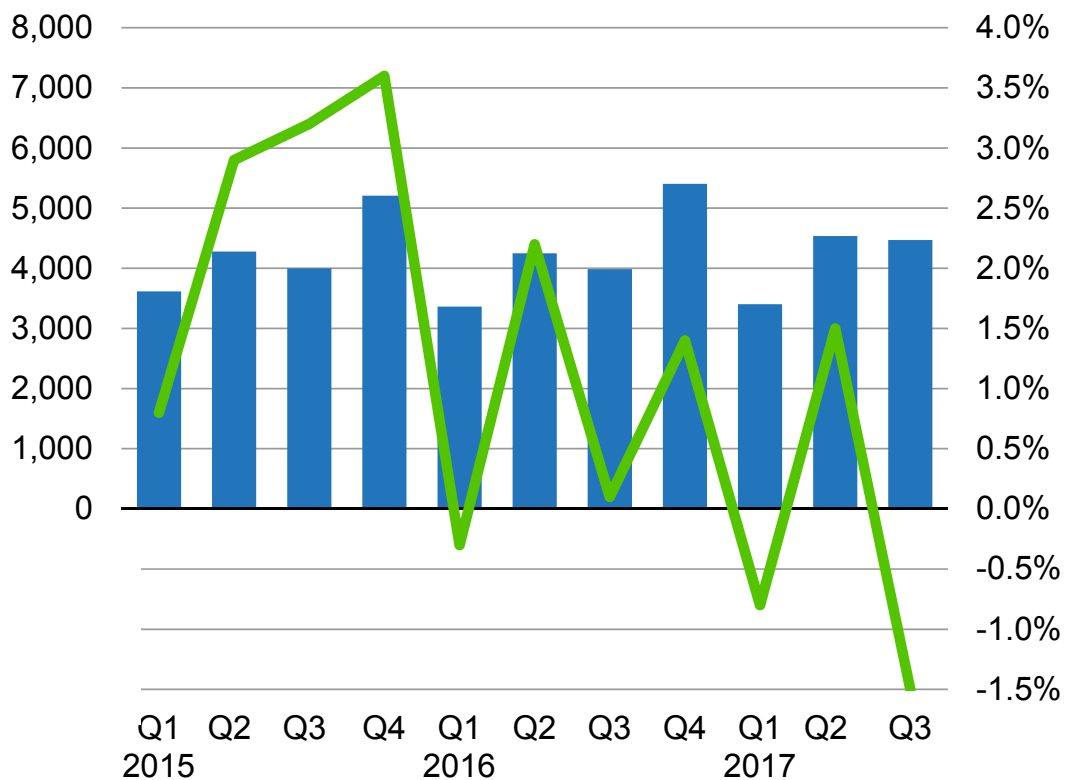
NCC Building



SEK M	Jul.-Sep. 2017	Jul.-Sep. 2016	Oct. 16-Sep. 17	Jan.-Dec. 2016
Net sales	5,346	6,033	24,576	25,681
Operating profit	116	1	584	489
Operating margin, %	2.2	0.0	2.4	1.9

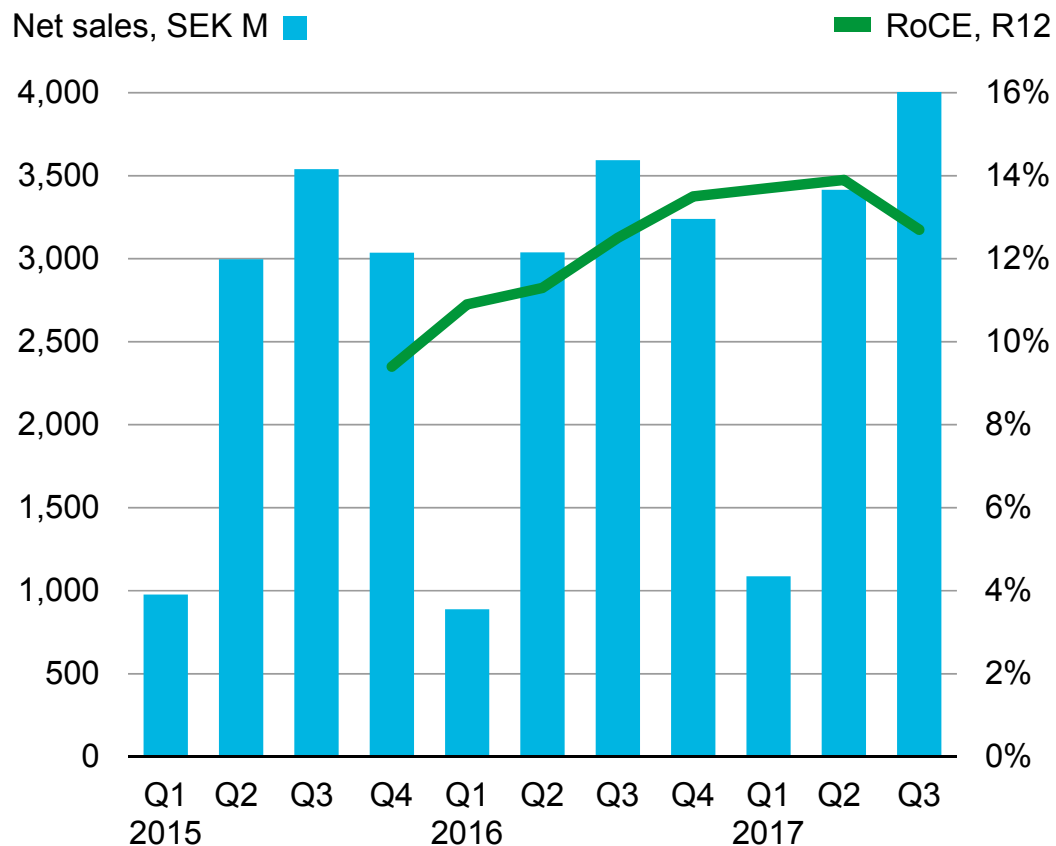
NCC Infrastructure

Net sales, SEK M ■ — Operating margin



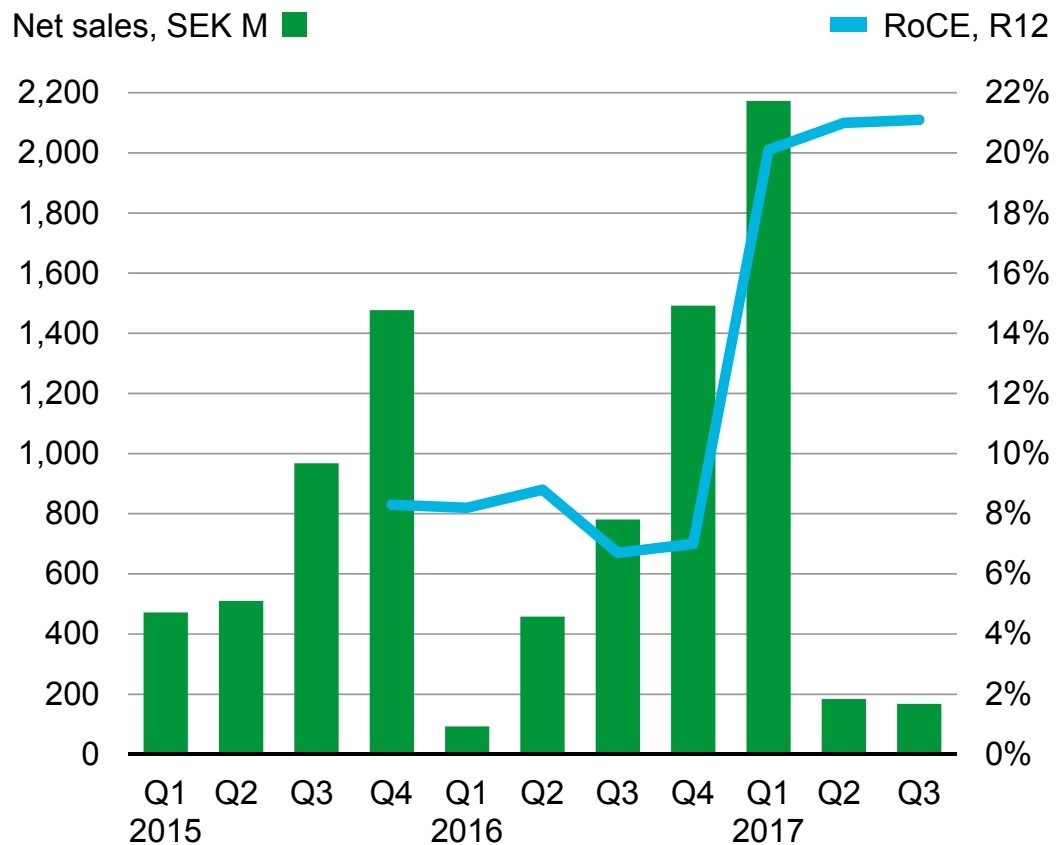
SEK M	Jul.-Sep. 2017	Jul.-Sep. 2016	Oct. 16-Sep. 17	Jan.-Dec. 2016
Net sales	4,472	3,986	17,820	17,007
Operating profit	-65	3	55	162
Operating margin, %	-1.5	0.1	0.3	1.0

NCC Industry



SEK M	Jul.-Sep. 2017	Jul.-Sep. 2016	Oct.16-Sep. 17	Jan.-Dec. 2016
Net sales	4,051	3,594	11,795	10,760
Operating profit	409	442	561	533
Operating margin, %	10.1	12.3	4.8	4.9
RoCE, %			12.7	13.5

NCC Property Development

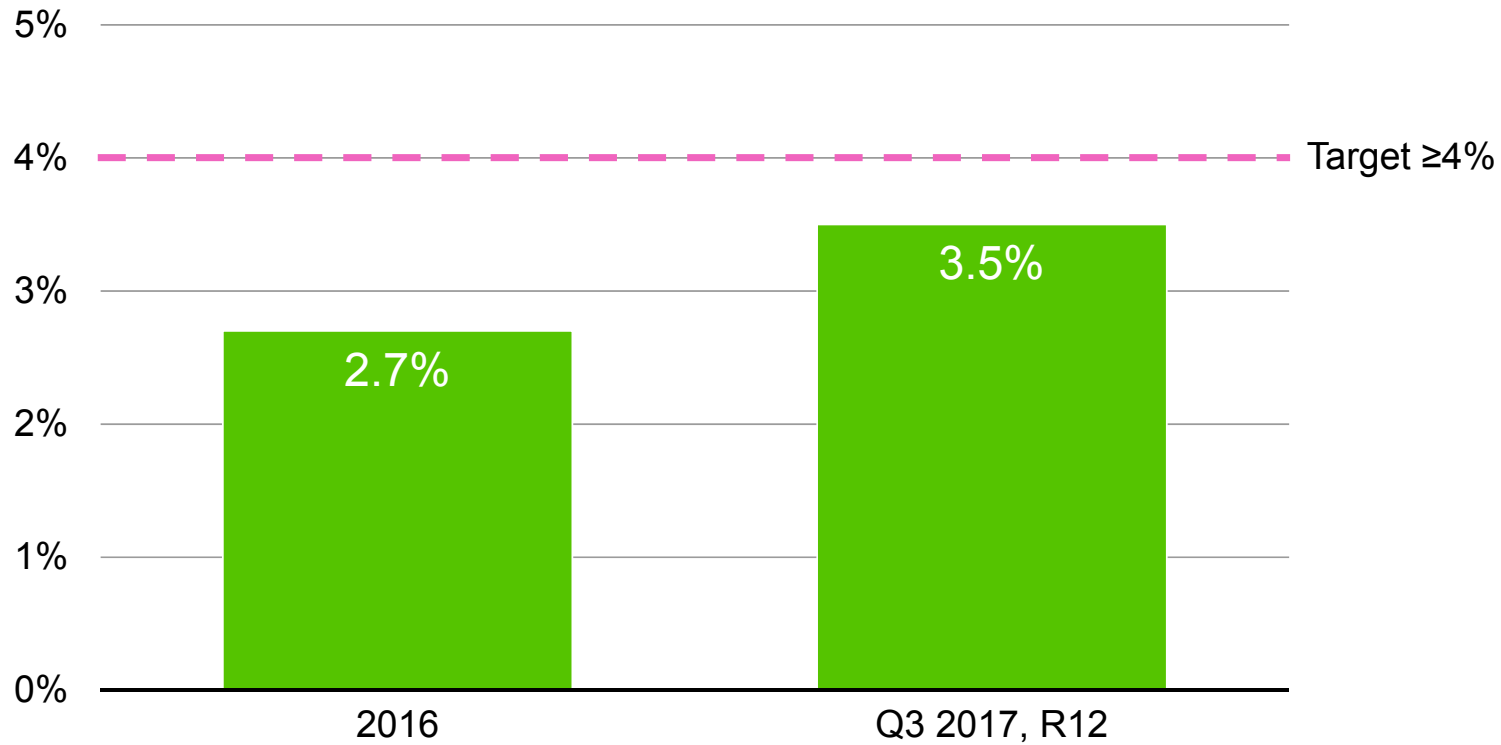


SEK M	Jul.-Sep. 2017	Jul.-Sep. 2016	Oct. 16-Sep. 17	Jan.-Dec. 2016
Net sales	168	781	4,017	2,823
Operating profit	-9	32	852	327
Operating margin, %	-5.1	4.1	21.2	11.6
RoCE, %			21.1	7.0

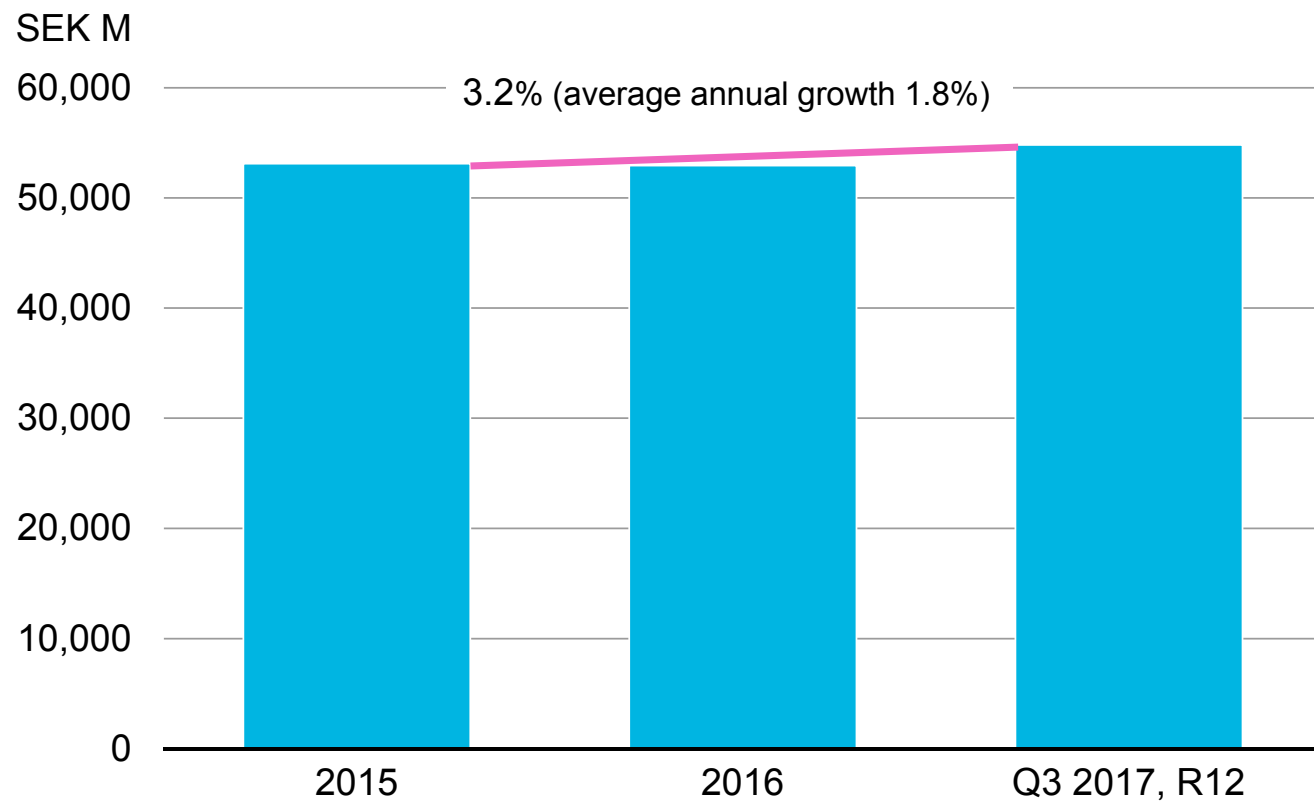
Group financial objectives

Käppalaverket, Stockholm

Operating margin

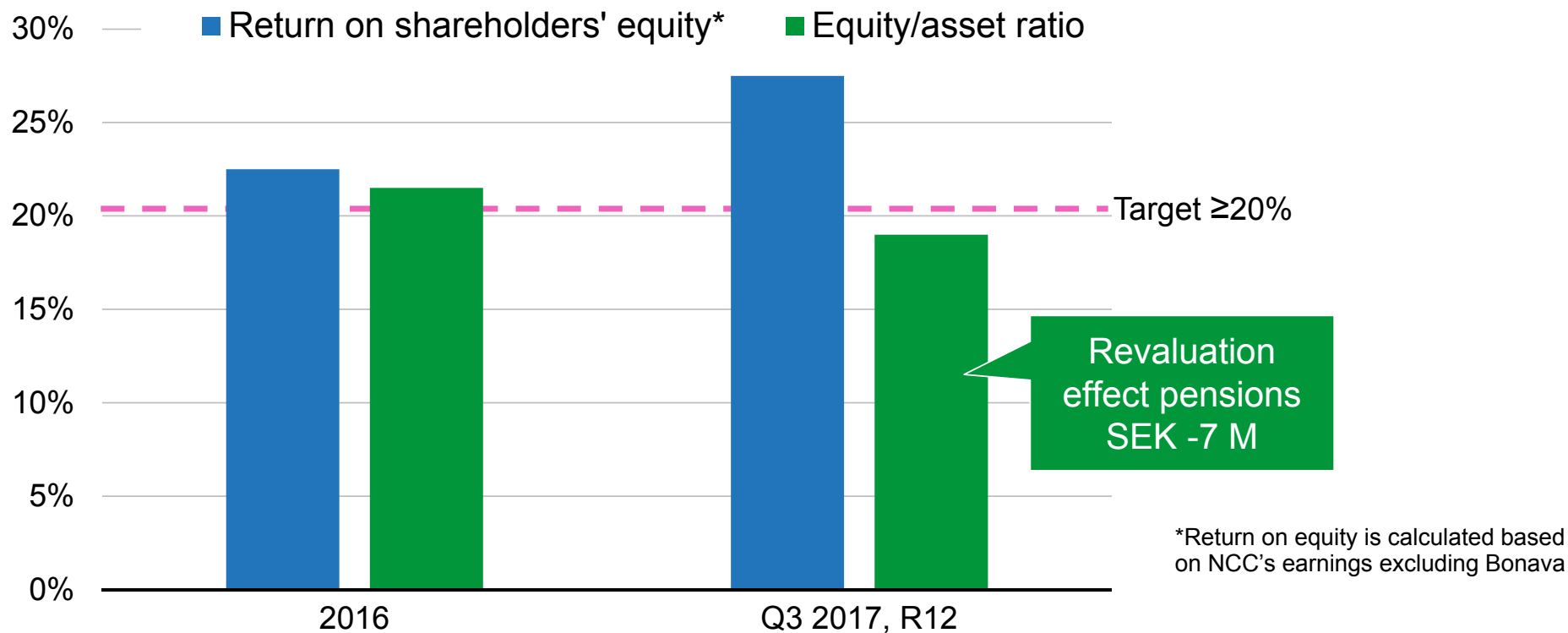


Revenue development

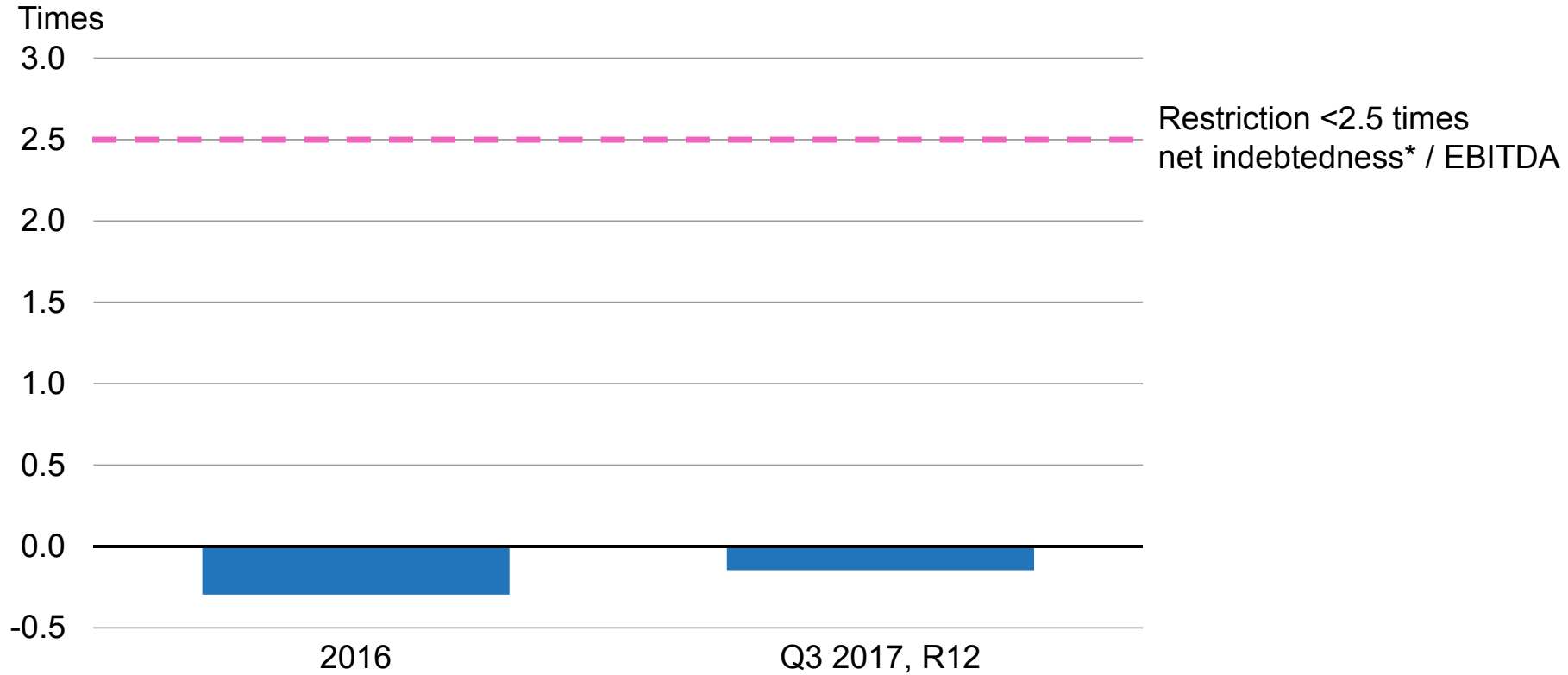


Objective:
5% average annual
revenue growth

Equity/asset ratio and return on shareholders' equity



Net indebttness





Gustavslund, Stockholm

Summary

- Lower net sales and result in Q3
- NCC Building and NCC Infrastructure – focus on delivering on the order backlog
- NCC Industry on track
- NCC Property Development – focus on project starts
- High order backlog and favorable market outlook





Contact information and calendar

IR Manager

Johan Bergman

Tel: +46 (0)70-354 80 35

johan.bergman@ncc.se

Chief Financial Officer

Mattias Lundgren

Tel: +46 (0)70-228 88 81

mattias.l.lundgren@ncc.se

Financial Calendar 2018

25 Jan. 2018	Year-end report 2017
11 Apr. 2018	Annual General Meeting
25 Apr. 2018	Interim report Jan. – Mar.
18 Jul. 2018	Interim report Jan. – Jun.
25 Oct. 2018	Interim report Jan. – Sep.